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October 31, 2002

Via Overnight Delivery

Mr. Vernon A. Williams
Secretary
Office of the Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423



RECORDATION NO. 23876-C FILED

NOV 01 '02 3:07 PM
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 48 U.S.C. Section 1301(a) are two original executed copies and two photostatic copies of the Termination of Security Agreement ("Termination"), dated as of October 31, 2002, between Johnstown America Corporation ("Debtor") and The CIT Group/Equipment Financing, Inc. ("Secured Party"), a secondary document as defined in the Commissioner's Rules for the Recordation of Documents.

The Termination relates to that Memorandum of Assignment for Security Agreement ("Memorandum"), dated as of February 26, 2002, which was previously filed with the Surface Transportation Board ("STB") under Recordation Number 23876-A.

The names and addresses of the parties to the enclosed Termination are:

Secured Party: The CIT Group/Equipment Financing, Inc
1211 Avenue of the Americas
New York, New York 10036

Debtor: Johnstown America Corporation
17 Johns Street
Johnstown, Pennsylvania 15901

The Termination relates to 273 aluminum BethGon coalporter cars marked ETRX 851001 - ETRX 851273.

Also enclosed is a check in the amount of \$30.00 payable to the order of the STB covering the required recordation fee.

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CHICAGO ■ NEW YORK ■ WASHINGTON

rosshardies.com

Mr. Vernon A. Williams
October 31, 2002
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Kindly return one stamped original and two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to Be Recorded

Termination of Security Agreement, dated as of October 31, 2002, between Johnstown America Corporation and The CIT Group Equipment Financing, Inc., which relates to and terminates the Memorandum of Assignment for Security Agreement dated as of February 26, 2002.

Secondary Document to which the Termination Relates

Memorandum of Assignment for Security Agreement dated as of February 26, 2002 between Johnstown America Corporation and The CIT Group/Equipment Financing, Inc. which was filed with the STB on February 28, 2002 and assigned Recordation Number 23876-A.

Very truly yours,


Susan G. Lichtenfeld

SGL:vgc
Enclosures
cc: Robert W. Kleinman

RECORDATION NO. 23876-C FILED

NOV 01 '02 3-07 PM

TERMINATION OF SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS TERMINATION OF SECURITY AGREEMENT is made as of this 3rd day of October, 2002, by and between Johnstown America Corporation ("Debtor"), a Delaware corporation and The CIT Group/Equipment Financing, Inc. ("CIT"), a Delaware corporation.

WHEREAS, CIT and DEBTOR, are parties to a Memorandum of Assignment for Security Agreement, dated as of February 26, 2002 (the "Security Agreement"); and

WHEREAS, the Security Agreement created a lien and security interest in favor of CIT in and to the railcars described on Schedule 1 attached hereto (the "Equipment") and certain other property (collectively with the Equipment, the "Collateral"); and

WHEREAS, the Security Agreement was duly filed for recordation with the Surface Transportation Board (the "STB") pursuant to 49 U.S.C. Section 11301, on February 28, 2002, at 1:16 p.m. and given Recordation Number 23876-A; and

WHEREAS, Debtor and CIT desire to terminate and cancel the Security Agreement and to record such termination and cancellation with the STB;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CIT and DEBTOR, intending to be legally bound, agree as follows:

1. CIT and DEBTOR hereby terminate and cancel the Security Agreement, effective as of the date of this Termination of Security Agreement respect to the Collateral, and CIT and DEBTOR hereby agree that no rights, duties or liabilities under the Security Agreement shall survive such termination and cancellation of the Security Agreement, except with respect to acts, events, or omissions under the Security Agreement occurring on or prior to the date hereof.
2. The parties agree to record this Termination of Security Agreement with the STB so as to release any lien against the Equipment created by or arising out of the Security Agreement.
3. This Termination of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together constituting only one and the same agreement.

IN WITNESS WHEREOF, CIT and DEBTOR have caused this Termination of Security Agreement to be executed as of the day and year first above written.

JOHNSTOWN AMERICA CORPORATION

By: Michael A. Gault
Its: Production Manager

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____

Its: _____

IN WITNESS WHEREOF, CIT and DEBTOR have caused this Termination of Security Agreement to be executed as of the day and year first above written.

JOHNSTOWN AMERICA CORPORATION

By: _____

Its: _____

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: Catherine Sigich

Its: Vice President

**SCHEDULE 1
TO TERMINATION OF SECURITY AGREEMENT**

**273 aluminum BethGon™ coalporter cars manufactured by
Johnstown America Corporation bearing the following road
marks and numbers:**

ETRX 851001-ETRX 851273 (both inclusive)

[illegible]

On this 30th day of October, 2002, before me personally appeared Catherine Stiglich, to me personally known, who being duly sworn, says that he/she is a Vice President of The CIT Group/Equipment Financing, Inc., a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

RICHARD D'ANNUNZIO
Notary Public, State of New York
No. 43-4693159
Qualified in Richmond County
Commission Expires March 30, 2003

My Commission Expires:

STATE OF)
)ss.
COUNTY OF)

On this ____ day of _____, 2002, before me personally appeared _____, to me personally known, who being duly sworn, says that he/she is a _____ of Johnstown America Corporation, a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My Commission Expires:

STATE OF NEW YORK)
)ss.
COUNTY OF NEW YORK)

On this 29th day of October, 2002, before me personally appeared _____, to me personally known, who being duly sworn, says that he/she is a Vice President of The CIT Group/Equipment Financing, Inc., a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My Commission Expires:

STATE OF Pennsylvania
)ss.
COUNTY OF Cambria)

On this 30th day of October, 2002, before me personally appeared Michael A. Crisafulli, to me personally known, who being duly sworn, says that he/she is a Product Line Manager of Johnstown America Corporation, a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Carol A. Phillips
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

NOTARIAL SEAL
CAROLYN A. PHILLIPS, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 7, 2005